LOCAL GOVERNMENT TAX CONTROL BOARD



RECOMMENDATIONS

TO THE

DEPARTMENT OF LOCAL GOVERNMENT FINANCE

FROM

OCTOBER 27, 2005

Call to Order

David Christian called the October 27th 2005 Local Government Tax Control Board meeting to order at 9:00 am. Board members present were Dan Jones, Stan Mettler, David Christian, Ken Kobe and Lisa Decker. Judy Robertson was the administrative officer for the meeting.

Discussion

Judy updated the board members on the units that had withdrawn from the agenda. Judy also requested who needed ID tags and parking passes for the state parking garage.

Recommendation

Stan motioned to recommend approval of the September 22nd 2005 minutes. Dan seconded and the motion carried 2-0-3 with Dave, Lisa and Ken abstaining.

Center Township, Hancock County Emergency Fire Loan

The unit is requesting approval obtain a loan in the amount of 51,000 for a term of one year; proceeds of the loan will be used to fund the fire protection contract. The estimated tax rate is .0165 based on an assessed value of \$311,081,830 and an annual levy of \$50,256. This is an uncontrolled project and the Common Construction Wage is not applicable.

Per the emergency loan calculation, the unit shows a need of:

January 1 Cash Balance	\$1,257
Plus: Current Year Certified Tax Levy	\$109,812
Plus: Estimated Current Year Revenues	\$45,329
Total Funds Available Current Year	\$156,398
Less: Encumbered Appropriations from Prior	
Year	\$28,500
Less: Estimated Current Year Expenditures	\$187,535
Funds Remaining (Must be negative to qualify)	(\$59,637)

Taxpayer Objections:

The date of publication for a public hearing was August 17th and 24th 2005. A public hearing was held and a resolution was adopted on August 29th 2005. The Notice of Determination was published September 2nd and 8th 2005. The Remonstrance Period ended October 8th 2005.

Attendance

The following people attended the meeting: Dwain Laird (Consultant) and Jeff Lowder (Trustee).

Discussion

They have a contract with Greenfield that exceeds their current revenue. They are attempting to catch up the tax base to meet the contractual amount. Greenfield has been annexing territory. As a result, expenses have been increasing while the tax base is decreasing.

Questions from Board Members:

Dave: Is coming before this board on ongoing process? Dwain: Yes, since 2001 when the levy was frozen.

Ken: Are you going to use a local bank for the loan?

Jeff: Yes, we have one that we use all the time and have a good relation with.

Dave: Did you have any one remonstrate?

Dwain: No.

Recommendation

Stan motioned to recommend approval of an emergency fire loan in the amount of \$51,000. Lisa seconded and the motion carried 5-0.

Center Township, Hancock County Excessive Levy Appeals

The unit requested a township assistance appeal in the amount of \$76,278. The unit qualifies for 117,956 per statutory formula.

The unit also requested a fire contract with a municipality appeal in the amount of \$59,500. The unit qualifies for \$164,719 per statutory formula.

Appeal History: 1993 Volunteer Fire \$8,743

2005 Township Assistance \$30,628

Contract w/Municipality \$39,141

Civil Fire

2006 Max Levy \$74,687 \$120,797

Total Max Levy with Appeal \$150,965 \$180,297

Advertised Appeal Amount \$76,278 \$63,820

Unit's 2006 Advertised Levy \$139,773 \$179,320

Maximum appeal unit can qualify for is \$65,086 Civil \$58,523 Fire

The amounts were modified due to the unit not advertising high enough to qualify for the requested amounts.

Attendance

The following people attended the meeting: Dwain Laird (Consultant) and Jeff Lowder (Trustee).

Discussion

We think these amounts should be sufficient so that we will not need to come in for a loan next year.

Questions from Board Members:

Ken: How do the emergency loan and the appeals work together?

Dwain: The loan is to cover 2005 expenses; the appeals are to cover 2006 expenses.

Lisa: Is the city annexing your territory causing your fire base to decrease?

Dwain: The contract amount is based on assessed value. The inventory rate has hit us and the

assessed value is decreasing and it is causing the fire rate to increase.

Recommendation

Ken motioned to recommend approval of a township assistance levy appeal in the amount of \$65,086 and a fire contract with a municipality excessive levy appeal in the amount of \$58,523. Stan seconded and the motion carried 5-0

City of Greenwood, Johnson County General Obligation Bonds

The unit is requesting approval to issue general obligation bonds in the amount of \$1,500,000 for a term of twelve years for the purpose of equipping and purchasing a fire engine truck and an aerial platform. The estimated tax rate impact is .0088 based on an assessed value of \$1,985,649,840 and a levy of \$174,708. Total project cost is estimated to be \$1,500,000 with annual debt payments not to exceed \$189,900. This is an uncontrolled project and the Common Construction Wage is not applicable.

Taxpayer Objections:

Since this is an uncontrolled project, a Notice of Determination and an Auditor's Certification is not applicable yet. No information received on the adoption of an approving resolution.

Attendance

The following people attended the meeting: Sue Beesley (Bond Counsel), Steve Dhondt (Fire Chief), Jason Semler (Financial Advisor with H. J. Umbaugh), Paige Gregory (Financial Advisor with H. J. Umbaugh), and Belvia Hiadari (Financial Advisor with H. J. Umbaugh).

Discussion

We are seeking approval to issue bonds in the amount of \$1,500,000 for a term of twelve years in order to purchase two fire trucks and an aerial platform.

Steve: I will give you a brief synopsis of how our fire department operates in a unique way. We have a population of 36,000 per the 2000 census. We are having a special census taken and it is estimates our population is over 43,000 and could top 45,000. We are a rapidly growing town. We have twenty-one shift firefighters and ninety-one volunteers. We do it this way because it is more cost effective. Our growth has caused the demand for our services to increase. We need to add a new fire station and a new truck and EMS equipment for that station. The aerial device is to replace one that is twenty years old. They have completed a ten-month needs study to know what services to maintain and/or to add. Fire trucks are now being built now with air bags, passenger restraints and everything else that passenger cars have. We looked for the greatest and most safety-equipped trucks for fire personnel. The bidding process took ten months to decide what kind of equipment they needed. In 2000, they bonded for two trucks. This new issue of bonds will replace the old bond which will be paid off in January. There will be no increase in the tax rate to taxpayers as a result of this bond issue.

Questions from Board Members:

Lisa: You have not yet taken the resolution to your Council?

Steve: Yes, it passed unanimously 7-0. The citizens are in support and have asked why the process was taking so long.

Dave: The \$1.5 million is for both pieces?

Steve: The estimates for the vehicles are \$380,000 for the pumper, \$872,000 for the platform, \$120,000 for the loose equipment and \$47,000 for the platform. If the bids come in under \$1,500,000, then we will not borrow that much.

Ken: The term is for twelve years, what is the life expectancy of the vehicles?

Steve: The truck has a fifteen to twenty year life expectancy; the platform has a twenty to twenty-five year life.

Dave: The current platform is no longer functioning?

Steve: It has high maintenance, plus we need a taller platform to provide service to current buildings.

Dave: What will happen to the old platform?

Steve: We will contract with a reseller to sale is for us – we usually get forty percent more value than by trading it in.

Dan: What will the city do with the proceeds?

Steve: It will go back into the fire fund.

Dave: Will you use those proceeds to retire the bond obligation?

Steve: Historically, no we have not because the value is so small – we only expect to get about \$4,000-\$5,000 for it.

Stan: The only advice I would give us is to make sure you dispose of the vehicle per statute.

Steve: Yes, we have signed the necessary resolution as of no value per the guidelines.

Stan: What size is the new platform?

Steve: It has a 95-foot ladder with a platform on the end.

Dave: Do you have a large number of tall warehouses and distribution centers.

Dave: How would you classify the truck – as the greatest money can buy?

Steve: As functional to meet the needs to protect the citizens.

Dan: Page two of the hearing information sheet has a tax rate of .05562, and page four has a rate of .5578 - does that include this issue and the park bond?

Jason: No, it does not.

Steve: There have been six constructed and a seventh in process, with eleven in the planning stages.

Dan: What is the debt service?

Jason: The 2000 debt service will end in January.

Dan: Page four has no loose equipment listed, but page three has loose equipment, which is correct?

Jason: Page fourteen of the hearing information sheet details the equipment.

Dan: Do you plan to issue more debt in the next couple of years?

Steve: Not for the fire department.

Dan: The remonstrance ends today – I recommend the motion is contingent upon receiving the Auditor's certificate of no remonstrance.

Sue: You will receive that later today.

Recommendation

Stan motioned to recommend approval general obligation bonds in the amount of \$1,500,000 for a term of twelve (12) years. Ken seconded and the motion carried 5-0.

City of Greenwood, Johnson County Police Pension Payments Excessive Levy Appeal

The unit requested a police pension payments appeal in the amount of \$44,700. The unit qualifies for 44,658 per statutory formula.

Appeal History: 2005 Annexation \$2,115,471

2006 Max Levy \$ 9,430,585 Total Max Levy with Appeal \$ 9,475,285 Advertised Appeal Amount \$ 50,000 Unit's 2006 Advertised Levy \$10,736,737

Maximum appeal unit can qualify for is \$44,658

Attendance

The following people attended the meeting: Sue Beesley (Bond Counsel), Steve Dhondt (Fire Chief), Jason Semler (Financial Advisor with H. J. Umbaugh), Paige Gregory (Financial Advisor with H. J. Umbaugh), and Belvia Hiadari (Financial Advisor with H. J. Umbaugh).

Discussion

We are requesting an increase to our max levy due to increased police pension costs. We are limited to an increase of ten percent. We estimate our expenses in 2006 we be \$314,000, and increase of twenty-eight percent from the current year. Per the appeal, we qualify for \$44,700 per formula. We have lost \$1.4 million in CAGIT and our cash balances are declining. The appeal will have a sixteen cent per month, or \$2 annually, tax impact on a home assessed at \$120,000. The council approved it.

Questions from Board Members:

Lisa: There was one council member that objected – do you know why?

Paige: He was not in favor of raising taxes.

Stan: Are they a member of the 1975 plan?

Paige: I am not sure.

Stan: Is the increase based on projections or actual intentions of people to retire?

Paige: Projections.

Recommendation

Stan motioned to recommend approval of a police pension payments excessive levy appeal in the amount of \$44,658. Ken seconded and the motion carried 5-0.

West Lebanon-Pike Township Public Library, Warren County Lease Financing

The unit is requesting approval to execute a lease in the amount of \$610,000 for a term of twenty-three years for the purpose of funding the renovation of the library building. The total cost is estimated to be \$610,000 with annual lease payments not to exceed \$51,000. The estimated tax rate is .1108 based on an assessed value of \$37,000,000 and an annual levy of \$41,000. This is an uncontrolled project. The Common Construction Wage is applicable – the hearing was held October 6th 2005 and passed with a 5-0 vote.

Taxpayer Objections:

Since this is an uncontrolled project, a Notice of Determination and an Auditor's Certification is not applicable yet. No information received on the adoption of an approving resolution.

Attendance

The following people attended the meeting: Jane Herndon (Bond Council with Ice Miller), Pamela Robwers (President of Library Board), Terri Wargo (Library Director), Lonnie Therber (Financial Advisor), Robert E. Martin (Library Board Member), and Terry Burnworth (Architect).

Discussion

I would refer you to the handout and I will describe each of the projects listed there and what is needed.

Questions from Board Members:

Stan: Are any of these projects using the guaranteed energy savings contract?

Answer: No.

Ken: Were you unable to obtain outside financing?

Answer: Correct.

Jane: We were not able to get grants for any projects because they are not ADA compliant.

Stan: How big is your community? Answer: The population is about 1,185.

Stan: What is your circulation?

Director: Approximately 800 per month.

Ken: They are all worthy projects but I am concerned about the financial components. The fees are at ten percent or more. The project is approximately \$400,000 plus fees of \$600,000 plus interest rates bring it to \$1,000,000, which is a lot for a \$400,000 project. Have you determined

to have an architect and a construction manager – have you looked into reducing the amount any?

Terry: We will have a monthly fee for expanded service. The construction manager would increase the costs astronomically. Our fee includes staffing.

Dan: Page seven of the hearing information sheet says you plan to execute the lease on November 11th – are you still planning on meeting that date?

Jane: We will execute the lease whenever we receive the approving order.

Dan: Have you received any written or verbal objections?

Answer: No.

Dan: Are you the only library in Warren County?

Answer: There are two libraries and twelve townships. Both are township libraries and the second one is located in Williamsport, about six miles away. The rest of the county is un-served. Lonnie: We went with a twenty-year lease because the library does not have the capacity to bond higher. Because of the tax rate impact, we wanted to keep it as low as possible.

Jane: We recommend you read the letter of support that we included in today's handout.

Ken: How sure are you on the contingency amount?

Architect: The septic system in back may have problems, we do not know at this point.

Stan: Will your operating balance support the increase in expenses?

Director: Yes, because the systems we have now are so inefficient. New mechanical systems should off-set the increase in the building.

Ken: I motion to recommend a lease in the amount of \$550,000. (After further discussion, the motion was withdrawn).

Dan: Did the elected body approve this?

Jane: It is not required by statute. We do have letters from two of the three council members.

Lisa: Is the motion of \$550,000 realistic?

Architect: It depends on the bids and the problems with the septic system. If we run into too many problems, it might may it difficult.

Lonnie: If I may make an editorial comment – We are under contract with the Pyramid Group. Probably some contingency will be spent. I have never seen a project that did not use some contingency amount.

Recommendation

Stan motioned to recommend approval to execute a lease in the amount of \$51,000 for a term of twenty-three years. Dan seconded and the motion carried 3-1-1 with Ken opposed and Dave abstaining.

City of Columbus, Bartholomew County Public Works Project Loan

The unit is requesting approval to obtain a loan in the amount of \$1,035,000 for a term of one year for the purpose of financing various park renovations and improvements. The total project cost is \$1,035,000 with maximum annual debt payments not to exceed 1,035,000. The estimated tax rate is .0471 based on an assessed value of \$2,029,981,176 and an annual levy of \$956,200. This is an uncontrolled project because the project cost is less than \$2,000,000. The Common Construction Wage is applicable; the hearing was held August 23rd and passed with a 3-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was August 26th 2005. A public hearing was held and a resolution was adopted on September 6th 2005. The Notice of Determination was published September 9th 2005. The Auditor Certified No Remonstrance on October 11th 2005.

Attendance

The following people attended the meeting: David Critsen (County Council President), Ron? (Architect), Stephen Gore (Vice President of the County Council), and Harry Bond (County Councilman).

Discussion

Ed: We want to get a loan for the purpose of the park department. There are about twenty-nine projects included in the loan amount. (Refer to handout). We received no objections to the loan when we advertised our intention. I believe I have met all the requirements. The city of Columbus has invested over \$75 million in the parks and recreation department. The department has 28 facilities and 700 acres to maintain. The 2005 economic impact of sporting events through the parks department was over \$9.5 million based on estimates from the Columbus Visitors Center. The process for establishing dollar amounts is to work with consultants, contractors, and use recent costs. Our goal is to establish project budgets that are just enough to get projects done. Many projects are multi-year projects.

Questions from Board Members:

Stan: Are you going to bid all of them as one project, or thirty different projects? Ed: Each project will be bid individually.

Stan: How many years will this take?

Ed: All of these projects will be completed next year.

Dave: Will some come out of the current operating balance?

Ed: No, we need to improve the sites before we can build storage bins, etc.

Ken: Will all the work be contracted out?

Ed: Yes.

Dave: There have been no remonstrators?

Ed: This will replace the loan from last year. There will be no tax rate impact. We have a five-year plan to use this method as a revolving loan. The public is aware of this.

Dan: The projected 2006 tax rate is 1.0161 and the current 2005 rate is .9615, an increase of 24%.

Clerk/Treasurer: The financial data is based on estimates only. We do not expect that much of an impact – we are using the worst case scenario.

Dan: The interest rates on still low – why not do a five-year bond issue?

Clerk/Treasurer: The Council has said this is the way they want to use to maintain the parks department.

Answer: Our park is on the National Parks Registry; only one of two recognized in Indiana. A lot of parks have been donated to the City through the years – like Hamilton and Lincoln. We are not keeping up with the facilities. The park operating group directs all landscaping for the City and entrances. Providing Quality of Life services and we are the main players. We have received continuous support from the community.

Ken: Do you expect the lender to be local?

Clerk/Treasurer: Yes.

Dan: What do you expect the 2006 tax rate to be since you say you have estimated high? Clerk/Treasurer: I do not have any idea what the numbers will be until December because the assessed value has not been turned in.

Recommendation

Ken motioned to recommend approval to obtain a loan in the amount of \$1,035,000 for a term of one year. Lisa seconded and the motion carried 4-1 with Dan opposed.

Brown County Unit, Brown County Public Works Project Loan

The unit is requesting approval to obtain a loan in the amount of \$1,475,000 for a term of two (2) years for the purpose of financing four projects: 1) Repair, replace, or rehab bridges, 2) renovate courthouse security, 3) a Court records preservation project, and 4) renovation of the Veterans Affairs Building. The total project cost is \$1,519,840 with maximum annual debt payments of \$801,810. The estimated tax rate is .0677 based on an assessed value of \$1,065,216,250 and an annual levy of \$720,827. This is an uncontrolled project because the project cost is less than \$2,000,000. The Common Construction Wage is not applicable.

Taxpayer Objections:

An approving resolution was adopted September 19th 2005. Since this is an uncontrolled project, a public hearing and Notice of Determination was not published.

Attendance

The following people attended the meeting:

Discussion

We have been running up against the levy limit for several years. The largest project is \$1,000,000 for bridge work. Several bridges will need to be closed and one already is because of its condition. The bridge fund is out of money. We have eighty-eight bridges and there has been very few repairs done in the last few years.

Questions from Board Members:

Dave: What kind of bridges?

Answer: They range from trestles to concrete platforms. We have another 500 culverts that need to be repaired. The projects before you today are the ones most critical to the county.

Dave: Do any of these qualify for federal aid?

Answer: Yes, probably. Most of our bridges are under 60'. Federal money takes anywhere from three to five years to get and the bridges need to be longer than 75'. We can not wait another three to five years to get the federal money. The life span of a bridge is seventy-five years max. We need to maintain the bridges in order for them to meet that life span.

Dan: What fund does your wheel tax revenue go in?

Answer: The road and street fund.

Dan: The 2006 advertisement has a debt service payment of \$750,000 and a levy of \$1,000,0000 – why double the levy?

Answer: Perhaps an error was made. We were not sure of the amount needed at the time of advertising.

Ken: Is your cumulative bridge fund exhausted?

Answer: Yes; these projects are considered to be emergency projects.

Dave: There are other projects included in this request?

Answer: Yes – safety is a concern at the courthouse. We are in the process of asking for homeland security grants. If they are received, then the loan amount would be decreased. We need to wall off the visitors from staff and to install security devices and make other security improvements to make the courthouse and the prosecutor's office more secure.

Lisa: Has the personnel issue been worked out?

Answer: We have hired one person to be a security person. The budget will not allow adding any more staff. The judge would like a deputy, but we can not afford the benefits. We have also had major flooding issues. We need to rebuild in a non-flood plane. The third project is to construct a veteran's museum to honor our veterans. We will basically build a house for the museum. The last project is the storage of records. We need to provide a secure, non-flooded area. We have purchased a record storage system and a scanning system. There is a lot of down-time when we have to search for a record. It may be possible to put a basement under the VA center to house the emergency medical ambulance.

Lisa: Any comments from the public-this is a hefty increase in the tax rate? Answer: Only one citizen showed up. The objection was to the location, by the end of the meeting, there were no more objections.

Dave: \$581 per square foot seems on the high side.

Answer: That will probably be lower in our area. That is an estimate from other projects completed in other areas.

Ken: The financing costs, do you expect to make interest only payments?

Answer: Yes, during construction we will use capitalized interest.

Dan: What is the balance in the clerks' perpetuation fund?

Answer: I think around \$30,000.

Stan: Is it only the clerks' records that need storage or record in other offices also?

Answer: Just the clerk – she is the only one that is making a lot of noise.

Dan: Page two of the hearing information sheet shows a tax rate in 2002 of .2337 and 2006 is forecasted to be .3369 – that is a big jump.

Answer: We have estimated that the debt service impact is only .0776.

Recommendation

Stan motioned to recommend approval to obtain a loan in the amount of \$1,475,000 for a term of two (2) years. Ken seconded and the motion carried 5-0.

City of Greensburg, Decatur County General Obligation Bonds

The unit is requesting approval to issue general obligation bonds in the amount of \$1,200,000 for a term of twenty-one (21) years for the purpose of financing the renovations and improvements to the building that will serve as the City Hall. The total project cost is \$1,200,000 with maximum annual debt payments not to exceed \$118,050. The estimated tax rate is .0262 based on an assessed value of \$415,015,152 and an annual levy of \$108,606. This is an uncontrolled project because the project cost is less than \$2,000,000. The Common Construction Wage is applicable – the hearing is anticipated to be held before October 18th 2005.

Taxpayer Objections:

Since this is an uncontrolled project, a Notice of Determination and an Auditor's Certification is not applicable yet. No information received on the adoption of an approving resolution.

Attendance

The following people attended the meeting: Stephen T. Taylor (City Attorney), Frank P. Manus (Mayor), Jason Semler (Financial Advisor with H.J. Umbaugh), David Frederick (Financial Advisor with H.J. Umbaugh), Drew Barth (Barth & Assoc.), Bryan Collins (Bond Counsel with Bingham & McHale).

Discussion

Mayor: We would like to renovate an old school to use as city offices. The current building is not ADA compliant. All public meetings have to be held at the courthouse. We have outgrown the building. We keep a lot of records and they are scattered all over Greensburg – in the Water utility building, the sewer building. We have run out of storage room. The school became available and we purchased it for \$220,000, but it needs some renovation – it is not city hall ready. If we renovated it properly, it would costs us several million dollars. Right now we are going to renovate about two thirds of it and lease the third as is until we are ready to complete the renovation. The end result is to replace the majority of the windows. We are being very conservative in our plans. At the end of one side of the building will be a parking area. It is only two blocks from the courthouse square and very accessible to our citizens. We feel it is the right thing to do. We have had a hearing and only one person came in to complain about the increases in taxes. We have not received any real criticism except from the newspaper saying I wanted my name on a plaque and wanting a larger office. I feel the taxpayers are being served very well.

Questions from Board Members:

Dave: You have had only the one remonstrator?

Mayor: Yes, only the one.

Lisa: Was the council vote unanimous?

Mayor: Yes.

Lisa: What happens to the current building?

Mayor: There is about three people showing an interest in living there and one who wants to use it as a restaurant. Whoever gets the building will be able to afford it – it is listed as a historical landmark. It is 102 years old and is in good shape.

Dave: Which one of these amortization schedules do you think is the correct one? Bryan: The current market is about fifty points, so 6% should be the maximum; we are hoping for less.

Ken: Do you have a breakdown of costs per project description?

Answer: The costs are estimated to be between \$900-\$1,000,000 in total for a 33,000 square foot building.

\$225,000	Out-side work
\$300,000	Public spaces
\$30,000	Mayor's office
\$30,000	Planning
\$40,000	Water
\$40,000	Clerk

Equipment will be moved from the current building and re-utilized.

Dan: You are going to sell the current building then?

Mayor: Yes, we have no need to keep it.

Dave: You are going to use \$33,000 to remodel and use 19,000 square foot and lease the rest of it?

Mayor: That is the plan though they are not definite yet. We plan to put in a temporary wall in the meantime.

Dave: Would any lease revenue go to retire the bond?

Mayor: I haven't thought about it - I suppose we could. The city has already spent \$220,000 to purchase the building – the city could use lease payments to help cover those costs and free up money for other uses.

Dave: What was the appraised value? Mayor: About \$5,000 per square foot.

Ken: If the contingency amount increases, are you going to prepay the bonds? Answer: We will not be able to sell the bonds until the bids are received.

Lisa: Do you feel there is a need for a \$74,000 contingency?

Jason: That is the maximum amount, in the end, all costs could be reduced. When you renovate, there is no telling what you will find.

Stan: Are you using a guaranteed energy savings contract?

Answer: No.

Dan: Page six of the hearing information sheet has a debt service of \$2.5 million in bonds and this issue is \$1.2 million. How do you plan to avoid exceeding your 2% debt limit of \$2.7 million?

Answer: The first debt is a lease payment and is not subject to the 2% debt limit.

Recommendation

Ken motioned to recommend approval to issue general obligation bonds in the amount of \$1,200,000 for a term of twenty-one (21) years. Dan seconded and the motion carried 5-0.

City of Marion, Grant County Insurance Funding Notes

The unit is requesting approval to issue bonds in the amount of \$1,500,000 for a term of ten (10) years for the purpose of financing the City's self-funded health insurance plan. The total project cost is \$1,500,000 with maximum annual payments not to exceed \$188,200. The estimated tax rate is .0169 based on an assessed value of \$1,003,322,975 and an annual levy of \$169,750. This is a controlled project and the Common Construction Wage is not applicable.

Taxpayer Objections:

A resolution was adopted October 4th 2005. Since this is an uncontrolled project, a Notice of Determination and an Auditor's Certification is not applicable yet.

Attendance

The following people attended the meeting: Wayne Seybold (Mayor), Bob Swintz (Financial Advisor), and Bruce Donaldson (Bond Counsel with Barnes & Thornburg).

Discussion

We are trying to fix a two-year problem. We are at the point where we are really behind in health insurance because of health problems. The Council looked at switching carriers and into other possibilities. We inherited this problem from 2001. The side fund is exhausted and they are using the reserve fund held by the City to pay insurance claims because we are self insured.

Questions from Board Members:

Ken: Is this amount sufficient?

Mayor: It will be enough to get us through this year.

Dave: Are you continuing to review your options? Are you aggressively bidding? Mayor: Yes, we will be changing in January. We will have a tier plan and still remain in compliance with our union contracts.

Lisa: What is the time frame of your contracts?

Mayor: We used to have one-year contract, now we are negotiating three year contracts.

Dave: Are you considered to be partially self-funded or fully funded?

Mayor: We are looking into all possibilities.

Lisa: Three council members voted against this, did they have any other options?

Mayor: No, they really don't understand the process.

Dave: Are you paying for current employees and retirees as well?

Mayor: Retirees as well.

Ken: Will the proceeds go into the side fund?

Mayor: They will go into the insurance fund – if we do not use it all, then into the side fund to pay the bonds off.

Dave: The reserve fund always has something coming out of it; how are you going to continue to pay health claims?

Mayor: I agree, I would much rather come here with more answers and for some other worth-while project.

Dave: What happens if we say no?

Bob: The city has no money to pay health claims.

Stan: You are requesting a ten-year loan to get you through this year? Why not a one-year term? Bob: The interest rate would be 2 ½ to 3% for a one-year term, and the City cannot afford that.

Stan: Technically, it would be fifteen cents, so why not a one-year loan to pay for one year's expenses?

Dave: Mayor, what happens if we say no?

Mayor: Then a lot of people would be bankrupt, since technically they are responsible for their own medical bills.

Lisa: Has the city been self-funded for sometime?

Mayor: Since 2001.

Ken: Do you have the reasonable prospect of breaking even next year?

Mayor: We do not have a crystal ball, if the current trend continuous, then no.

Dan: Page two of the hearing information sheet has a .0471 rate for seven funds, does this seem right?

Bob: The only increase will be in the debt fund.

Dan: The hearing information sheet mentioned on page seven a date for the execution of lease that does not allow a remonstrance period.

Bruce: The loan is under \$2 million and exempt from I.C. 6-1.1-20.

Dan: Were the taxpayers not notified of this then?

Bruce: We held a public hearing for the additional appropriation.

Dan: Was this proposed rate and levy included in the 2006 budget?

Bob: Yes, the rate was not, we are working with Bob Harris on that.

Dan: Does this apply to your 2% debt limitation?

Bruce: No, it will be an annual appropriation, not considered as debt.

Dan: Is there anything you can do to make us more comfortable with this being a ten-year term? Bob: Pick a term – we are trying to lessen the tax impact.

Mayor: We have a thirteen percent unemployment rate. We are trying to get our house in order. We have inherited a lot of other problems, some of which we have already straightened out without resorting to this. The average work force age is 48.

Recommendation

Lisa motioned to recommend approval to issue bonds in the amount of \$1,500,000 for a term of ten (10) years. Dave seconded and the motion carried 2-2-1 with Dan and Stan opposed and Ken abstaining.

City of Terre Haute, Vigo County Sanitary District Bonds

The unit is requesting approval to issue bonds in the amount of \$20,000,000 for a term of seventeen (17) years for the purpose of financing (1) the construction of storm water improvements to separate combined sewers, (2) the construction of local sanitary sewer projects, (3) the construction of the Thompson Ditch sanitary sewer project, (4) the creation of a new master plan for the Sanitary District, and (5) repayment of an outstanding bond anticipation note. The total project cost is \$20,000,000 with annual debt payments not to exceed \$2,819,700. The estimated tax rate is .0976 based on an assessed value of \$2,656,555,710 and an annual levy of \$2,594,124. This is a controlled project. The Common Construction Wage is applicable; the hearing was held October 11th 2005 and passed with a 5-0 vote.

Taxpayer Objections:

No information received.

Attendance

The following people attended the meeting: Pattie Zelmer (Bond Counsel with Ice Miller), Susan Reed (Bond Counsel with Ice Miller), Rhonda Cook (Bond Counsel with Ice Miller), Pat Goodwin (Secretary of the Board of Sanitary Commissioners), Scott Craig (Board Member of the Sanitary Commission), Jason Semler (Financial Advisor with H.J. Umbaugh).

Discussion

We have a number of projects; in summary, this bond issue will not pay 100% of costs. A percentage of the projects will benefit other departments, so they will share the costs of the project that benefits them directly.

Questions from Board Members:

Ken: What is the boundary of the sanitary district?

Answer: There is thirty-five square miles in the City and about seventy for the District.

Dave: Did the Council vote in favor of this? Answer: The three-member Sanitary Board did.

Ken: Some of these are transportation projects.

Answer: The majority of them are drainage projects along with transportation.

Lisa: What is the public's opportunity to hear about this issue?

Answer: We hold public meetings and we did go through the required bond process.

Dan: October 24th is the last day of remonstrance – did you get the Auditor's certificate of no remonstrance?

Patty: Not yet, we will fax that to Judy as soon as we can.

Ken: Can you explain the projects and how they break down per costs?

Answer: There are a dozen projects

Two neighborhoods with no drainage - Edgewood & Oak Hill
Continuation of the Sanitary Sewage lines
Major transportation storm-water lines – 13th Street corridor
Extend the road and add drainage
\$2 million
\$1.5 million

The remainder is for smaller projects and parts of larger, other projects.

Lisa: Did the citizens participate in funding these projects in any way?

Answer: The tap-in fees and hook-up fees to our lines.

Ken: In spreading the tax burden out – are all the benefits comparable to the total costs of all of the projects.

Answer: Not clear on what you are asking, but the improvements are necessary.

Dave: Are these improvements economic development purposes?

Answer: It will benefit development some.

Lisa: How close are you to separating water and sewer lines?

Answer: Realistically, never – it would take over \$1 billion to do that.

Ken: Do you have bond insurance?

Answer: Yes, because it enhances the rate.

Dan: How does special taxing districts compare in issuing general obligation bonds?

Patty: They are rated the same. Do not have the full faith and credit option.

Dan: On page one of the hearing information sheet, is this the population for Terre Haute or for the Sanitary District?

Answer: The population of the district is approximately 80,000 with 75 square miles.

Dan: How many miles of sewage lines?

Answer: Approximately 500.

Recommendation

Ken motioned to recommend approval to issue bonds in the amount of \$20,000,000 for a term of seventeen (17) years. Lisa seconded and the motion carried 5-0.

New Albany Redevelopment Authority, Floyd County Lease Financing

The unit is requesting approval to execute a lease with maximum annual lease rental payments of \$1,400,000 for a term of twenty (20) years for the purpose of financing the construction of an approximate 30,252 sq. ft. natatorium, including three swimming pools, offices, concessions and locker rooms. The project also consists of surface parking and site work. The total project cost is \$13,261,000 with maximum annual lease payments estimated to be \$1,400,000. The estimated tax rate is .1014 based on an assessed value of \$1,270,015,445 and an annual levy of \$1,288,000. This is an uncontrolled project because the unit expects to use revenues from the Caesar's Foundation Grant, Floyd County EDIT and New Albany EDIT to make the lease payments. The Common Construction Wage is applicable – the hearing will be held prior to the October 27th meeting.

Taxpayer Objections:

A resolution was adopted on September 22nd 2005 by the Redevelopment Commission and on September 29th by the Redevelopment Authority. Since this is an uncontrolled project, a Notice of Determination and an Auditor's Certification is not applicable yet.

Attendance

The following people attended the meeting: John Rosenbarger (Director of Planning & Redevelopment), Shane L. Gibson (Attorney), Kyle A. Wilson (Architect), Gary Malone (Financial Advisor with H.J. Umbaugh), Lisa A. Lee (Bond Counsel with Ice Miller), and Buddy Downs (Bond Counsel with Ice Miller).

Discussion

John (Reading from prepared statement): We have two anchors in New Albany. We plan to build a new three-story YMCA building with an aquatic center. It will be a high visibility building with a high profile. The project started in 2002 when plans were began to address a blighted area. We have received a grant from the Caesar's Foundation for \$20 million, \$1 million for twenty years. We have designed and re-designed the building to meet the tax payers' needs. \$9 million has been removed from the original design. We received a grant from the EPA of \$450,000 to clean up the site so construction can start. This project is closely associated with other greenway projects. It will resolve an underutilized place and replaces a blighted area.

Gary: I would like to give you a financial background. This is a property tax back-up request to insure a better bond rating and enhance the bonds to make them more marketable. The lease will be for the public areas only. \$13.6 million in other costs will be used to complete the project.

The amount of the bonds will be adjusted to match the bids coming in. \$1.4 million is the maximum lease rental. At today's rate, it would be around \$1.275 million. The lease payments will consists of the \$1 million from the Caesar's Foundation and the balance of the payment will be paid ½ by County EDIT funds and ½ from City EDIT.

Questions from Board Members:

Lisa: What sort of assurances do you have from the Caesar's Foundation?

Answer: A pledge and a legal document. Also, EDIT is sufficient to cover the lease payments, should something happen to Caesar. All other debt obligations will fall away before this debt comes on the books.

Dave: When do you expect to begin construction?

Answer: It is in the planning stages now, the bids will be received in May and construction is planned to begin in June of 2006. The buildings have already been purchased. IDEM has started the clean-up and has approved our remediation plan.

Dave: When do you plan to issue the bonds?

Answer: Shortly after the construction bids have been received – in March or April.

Ken: Page 3 of the hearing information sheet has a \$481,000 general condition – what is that? Answer: An additional contingency for the remediation plan.

Ken: What is the \$657,000 in Other for?

Answer: This plan has gone through two or three venues in the last three years. Blighted areas always need more meetings, zoning, council meetings, lease meetings, etc.

Answer: Yes, people object to using public funds – about a dozen people objected, half of them lived in the city. We have also had a huge outpouring of support in favor to get it started.

Ken: How much private investment do you plan to leverage?

Answer: The feasibility study is in phase 2. We hope to have a hotel and some restaurants build in the same area.

Dan: Is this a TIF district?

Answer: No, just across the street from a TIF area. We could look at that for leverage.

Dan: Will the YMCA make the lease payments?

Answer: No, they anticipate a long-term contract and will "manage" the facility for us. The YMCA will own a part of the building.

Dan: Do you have any other debt, page six does not show any?

Answer: All other debt is payable from TIF and EDIT – not funded from property taxes.

Recommendation

Ken motioned to recommend approval to execute a lease with maximum annual lease rental payments not to exceed \$1,400,000 for a term of twenty (20) years. Lisa seconded and the motion carried 5-0.

Clinton Township, Vermillion County Emergency Fire Loan

The unit is requesting approval to obtain a loan in the amount of \$50,000 for a term of one (1) year for the purpose of financing fire fighting demands. The estimated tax rate is (unknown) based on an assessed value of \$(unknown) and an annual levy of \$(unknown). This is an uncontrolled project and the Common Construction Wage is not applicable.

Taxpayer Objections:

The date of publication for a public hearing was June 29th 2005. A public hearing was held and a resolution adopted on July 11th 2005. **Note**: The advertisement correctly states that taxes are due in 2005 pay 2006. The Resolution/Ordinance has that repayment will be in 2006 pay 2007 (incorrect – will need a revised resolution/ordinance). The Notice of Determination was published July 13th and 20th 2005. The Auditor certified No Remonstrance on August 13th 2005 (not timely).

Attendance

The following people attended the meeting: Ron Ellis (Trustee), and Scott Van Boskirk (Assistant Fire Chief).

Discussion

Good afternoon.

Questions from Board Members:

Stan: Are these for volunteer fire expenses?

Roy: There is just not enough money. We have twenty-four volunteers. Me and my secretary have cut and cut expenses.

Stan: So this is to fund operating expenses?

Roy: Yes.

Stan: What will happen in 2006?

Roy: We will continue to struggle. We will probably be back next year.

Scott: We have seen our assessed value triple, but the levy has not kept up with our growth. Our township is slowly growing and not able to keep up. We are working with thirty-year old equipment. The cost of fuel is killing us.

Roy: We make about 275 runs per year.

Scott: We expect that to top 300 runs next year.

Roy: We like to help people, we are just not able to do that right now. Everything else we are

fine with.

Stan: Is this your first year to ask for an emergency loan?

Roy: Yes, we are working toward a levy increase.

Stan: Are you at your maximum levy?

Roy: Yes.

Recommendation

Ken motioned to recommend approval to obtain an emergency fire loan in the amount of \$50,000 for a term of one (1) year. Lisa seconded and the motion carried 5-0.

Town of Munster, Lake County General Obligation Bonds

The unit is requesting approval to issue bonds in the amount of \$1,970,000 for a term of four (4) years for the purpose of various construction projects, equipment purchases, and the expenses of issuance of the bonds. The total project cost is \$1,970,000 with annual payments estimated to be \$580,367. The estimated tax rate is .0283 based on an assessed value of \$1,571,811,400 and an annual levy of \$444,566. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing is to be held before the LGTCB meeting.

Taxpayer Objections:

An ordinance was adopted August 8th 2005. No information received on the publication of any notices. The Auditor certified No Remonstrance on October 6th 2005.

Attendance

The following people attended the meeting: Tom DeGiulio (Town Manager), Todd Samuelson (Financial Advisor with H.J. Umbaugh), David F. Shafer (Clerk Treasurer), Matt Fritz (Assistant Town Manager), Bob Shaughnoddy (Director of Parks & Recreation), and James A. Shanahan (Bond Counsel).

Discussion

The town has a population of 23,000 people. We have an active on-going capital projects commitment. The town is land-locked. We have various projects, including the purchase of vehicles. This is a summary of the projects included in this bond issue:

- 1. Calumet Ave widening the road; using match money
- 2. Under/Over pass on Calumet Ave just the beginning, phase 1 of federal money received
- 3. General street resurfacing combined with gaming revenue of about \$250,000-\$300,000

- 4. \$100,000 phase 2 to replace 19 traffic signals that have battery backups
- 5. Property acquisition only one parcel remains that impedes connection of roads
- 6. Technical improvements to public offices
- 7. Vehicle purchases need to replace three vehicles; one of them is a 30-year old chassis that has been re-built once.
- 8. Fire and police equipment the operating funds are stretched and we need to replace long-life equipment.
- 9. Need to purchase one park vehicle
- 10. Legal expenses

We will retire the expense over a four-year term. All debt is scheduled to go on as one falls off, so there will be no high impact on the tax rate.

Questions from Board Members:

Lisa: Were there any public objections at all?

Answer: No, just a lot of questions. The bonds in our area are annual occurrences.

Lisa: Did the council approve this?

Answer: Yes, unanimously.

Dave: Was the certificate of no remonstrance signed by Peggy?

Answer: Mr. Stiegler passed away and she was appointed in his place.

Dan: Page two of the hearing information sheet shows a slight bump in the tax rate of about three cents – can you explain why?

Answer: That is just the effect of the bond issue, holding all other rates stable. The police pension rate increased slightly also. We are also adding a park service debt in the same year.

Recommendation

Stan motioned to recommend approval to issue bonds in the amount of \$1,970,000 for a term of four (4) years. Lisa seconded and the motion carried 5-0.

Town of Munster, Lake County Park District Bonds

The unit is requesting approval to issue park district bonds in the amount of \$1,970,000 for a term of four (4) years for the purpose of financing the planning, construction, development and improvements at certain parks, facilities studies, purchase of park equipment and costs of bond issuance and sale. The total project cost is \$1,970,000 with annual debt payments estimated to be \$580,367. The estimated tax rate is .0339 based on an assessed value of \$1,571,811,400 and an annual levy of \$533,009. This is an uncontrolled project. The Common Construction Wage is applicable and the hearing is to be held before the LGTCB meeting.

Taxpayer Objections:

A resolution was adopted on August 30th and September 20th 2005. The Notice of Determination was published September 23rd and 30th 2005. The Auditor certified No Remonstrance on October 6th 2005.

Attendance

The following people attended the meeting: Tom DeGiulio (Town Manager), Todd Samuelson (Financial Advisor with H.J. Umbaugh), David F. Shafer (Clerk Treasurer), Matt Fritz (Assistant Town Manager), Bob Shaughnoddy (Director of Parks & Recreation), and James A. Shanahan (Bond Counsel).

Discussion

We are taking care of our parks outside the area in a forested part of the town. It has historical value. The area had a barn that was originally built in 1850 that burned down a few years ago. They are left with a historical sight and we want to build a reconstructed barn just like the one that burned down. It was a pony-express stop back in the early years. We need to do the following in order to meet that goal and to make necessary park improvements:

- 1. Clean out the scrub brush; matched with grant money, we are going to put in retaining walls and make trail improvements.
- 2. Construct a historical museum replace what was once there; the old barn/stage coach area was called the "Brass Tavern". We are also using private funding as match for a \$150,000 grant; total project cost is \$700,000.
- 3. Neighborhood parks 200 acres need renovation, the equipment is old and we need to remove ground cover that has overgrown park areas.
- 4. Community park this is where all the ball fields and the swimming pool is located. It is in the center of town. We would like to expand the pool area and improve the walk ways.
- 5. Construct a bike path in an isolated area, one of the last areas to be developed. They need to have a usable path, which includes a crossing over a railroad. The length of the path is about one to one and a half miles and will connect to the downtown area and to another park.
- 6. Equipment purchases for the golf course, the pool, new furniture, all of which will last for more than four years.

None.

Recommendation

Ken motioned to recommend approval to issue park district bonds in the amount of \$1,970,000 for a term of four (4) years. Dan seconded and the motion carried 5-0.

Town of Munster, Lake County Park District Lease Financing

The unit is requesting approval execute a lease with maximum annual lease payments in the amount of \$1,211,110 for a term of seventeen (17) years for the purpose of financing improvements to Centennial Park, including construction of a clubhouse/community center, maintenance facility, including fire substation, golf course, performance center, and other related park improvements. The estimated tax rate is .0752 based on an assessed value of \$1,530,728,971 and an annual levy of \$1,150,555. The total project cost will not exceed \$13,800,000. This is a controlled project. The Common Construction Wage is applicable and the hearing is to be held before the LGTCB meeting.

Note: The Auditor rescinded the certification of the Patron Petition.

Taxpayer Objections:

The date of publication for a public hearing was June 27th 2005. A public hearing was held and a resolution adopted on July 11th 2005. The Notice of Determination was published on July 16th 2005. The Auditor certified No Remonstrance on (unknown – not submitted) 2005.

Attendance

The following people attended the meeting: Tom DeGiulio (Town Manager), Todd Samuelson (Financial Advisor with H.J. Umbaugh), David F. Shafer (Clerk Treasurer), Matt Fritz (Assistant Town Manager), Bob Shaughnoddy (Director of Parks & Recreation), and James A. Shanahan (Bond Counsel).

Discussion

The lease is for the development of a landfill. In1968 the town purchased a municipal landfill. We would like to reclaim it as a park when the useful life has ended. It was originally 144-acres of land with a landfill on about half of it. In 1992 to1994 the town council held meetings to see what they wanted to do with the land. A promise was made to fill it and close it by 2004. This is now inside the city limits – it used to be out in the country. The town has developed around it. It will have activities from A to Z, including a golf course. They have approval from IDEM an all the purposes they have identified. They are not going to do any digging – they will need to build some areas up and change some elevations. There will be three permanent dwellings. It will be a 215-acre park, which will double their open space. It will provide a source of revenue to help maintain the park. They are limiting the exposure to the operating fund by having a shop and restaurants included. It is a large project, the largest the community has ever seen. Yes, there have been some objections, but a larger number of supporters. This has been planned for the last twenty years.

Ouestions from Board Members:

Dan: Have there been any formalized objections?

Answer: Yes, but the petition was declared invalid.

Lisa: Did the council unanimously support your plans? Answer: Yes, from several councils over the years.

Dan: What was the basis of their objection?

Answer: I do not know. Every time someone speaks about it, it is a different issue. It's like

trying to hit a moving target.

Ken: The lease payment will be \$1.2 million?

Answer: Yes, the same as the current pool bond that will be retired. It is going to be a constant debt impact so as not to burden the taxpayers.

Recommendation

Ken motioned to recommend approval execute a lease with maximum annual lease payments in the amount of \$1,211,110 for a term of seventeen (17) years. Stan seconded and the motion carried 5-0.

South Coast Conservancy District, LaPorte County Conservancy District Bonds

The unit is requesting approval to issue general obligation bonds in the amount of \$8,500,000 for a term of twenty-six (26) years for the purpose of purchasing a public water supply system and sanitary sewer facility that is being constructed to serve existing properties and anticipated future development within the District's boundaries. The total project cost is \$8,684,000 with maximum annual debt payments estimated to be \$682,044. The estimated tax rate is 1.8786 based on an assessed value of \$34,489,900 an annual levy of \$647,942. This is a controlled project. The Common Construction Wage is not applicable – the unit is purchasing a system already constructed.

Taxpayer Objections:

No information received.

Attendance

The following people attended the meeting: Jim Combs (Taxpayer/Developer), John Julian (Financial Advisor with H.J. Umbaugh), Paul Weeks (Engineer), Dave Hollenbeck (Attorney), and Pattie Zelmer (Bond Counsel with Ice Miller).

Discussion

This is a truly exciting plan. Purdue is turning the campus into a four-year facility. They have entered into a public/private village for single and multi-member families. In order to continue the process, they need to upgrade the sewer, water and drainage systems. They created the

Conservancy District to manage that system in partnership with the taxpayer Orthodontics. Purdue will pay the assessment amount. The financial data included with our petition does not include revenue from user fees. Purdue is 65% of the user base for the Conservancy District.

Questions from Board Members:

Dan: So you are saying the \$1.87 rate is grossly over stated?

Answer: I do not know if it is grossly over stated, but the board will have to make that decision – how much user fees versus taxes they will need to impose. The main taxpayer and Purdue will pay 75% to 80% of the property taxes imposed. That is not a high price for Purdue in order for them to get out from under operating the system themselves. The project has already started with private funding. The District will purchase the system once funding is approved. We currently have eighty-one residents in apartments that will pay taxes also. The plan is to connect the campus to Westville.

Stan: When was the District formed?

Answer: The District was established in September 2004.

Stan: Do you have maintenance costs – do you generate your own bills?

Answer: Yes, we have three options. We can generate the bills ourselves, contract for that service, or let Westville do the billing. We have not evaluated which is the best approach.

Dave: Are you in partnership with Westville?

Answer: We executed a lease on both ends for sewage and water. The sewage was hooked up yesterday. Both Purdue and the taxpayer labs petitioned us to do this.

Dave: Is homes and trailer parks a part of the District?

Answer: They are not part of the district – they will have every right to approach us and to tie in for a hook-up fee.

Ken: When will all these unknowns be known? We are supposed to evaluate the tax rate. Answer: We have come here with the worst case scenario. The people who would object is the ones moving the project along. The taxpayers who will pay 70% of the taxes are here today. The other 30% will be new homeowners who build in the District and will know up front what their taxes will be.

Dave: Is the water tower going up on the Purdue campus as well?

Answer: Yes, though that is a long building process; we don't expect to complete that until September 2006.

Dave: Purdue's payment of taxes will come from the savings in shutting down their own sewer and water system and plant?

Answer: Yes; we cannot guarantee a dollar for dollar match, but we can guarantee it will not be funded 100% from taxes.

Recommendation

Dave motioned to recommend approval to issue general obligation bonds in the amount of \$8,500,000 for a term of twenty-six (26) years. Lisa seconded and the motion carried 5-0.

St. Joseph County Public Library, St. Joseph County General Obligation Bonds

The unit is requesting approval to issue bonds in the amount of \$1,700,000 for a term of three (3) years for the purpose of constructing a new branch library to replace the existing building in North Liberty. The total project cost is \$1,700,000 with maximum annual debt payments estimated to be \$1,301,893. The estimated tax rate is .0226 based on an assessed value of \$5,301,766,895 an annual levy of \$1,197,741. This is a controlled project. The Common Construction Wage is applicable and the hearing is to be held before the LGTCB meeting.

Taxpayer Objections:

A resolution was adopted on September 26th 2005 by the Library Board.

Attendance

The following people attended the meeting: Donald J. Napoli (Director), Debra Futa (Assistant Director), Shirleen Martens (Financial Services), Alan Feldbaum (Bond Counsel with Barnes & Thornburg), Richard Treptow (Financial Advisor with H.J. Umbaugh), Jeff Qualkinbush (Bond Counsel with Barnes & Thornburg), and Todd Samuelson (Financial Advisor with H.J. Umbaugh).

Discussion

Donald (reading from prepared statement): The director spoke on the following items:

- Background and project description
 - o 1st phase of a multi-phase long-range capital improvements plan
 - Very public process as demonstrated by newspaper articles
 - o Process began in May 2004
 - o The library board decided to provide a new branch in North Liberty
 - o The library has not had any public opposition to the projects or to the financing
 - o Have heard only strong, enthusiastic support, including from the newspaper
 - o Now is the time to begin addressing a multitude of needs
 - Proceeds from sale of bonds will be used to construct and furnish a new library building in North Liberty and to acquire real estate for another branch in the Town of Lakeville
 - The plan does include the construction of a parking lot
 - o Have already purchased the new site in February 2004.
- Financing parameters and tax rate implications
 - Propose to fund this project in a way that minimizes the tax rate impact, but also minimizes the interest costs

 Tax rate impact is estimated to 2.3 cents and will not result in any impact on the general fund

Questions from Board Members:

Stan: What is the population in North Liberty?

Donald: Approximately 3200.

Stan: What is your circulation?

Donald: The library is heavily used, approximately 5,000 per month.

Ken: What will happen to the present facility?

Donald: We will either sell it or give it back to the Chamber of Commerce to use as a museum.

Ken: You say you have two projects – has the land in Lakeville been selected yet?

Donald: It has and we are in negotiation with the owner right now.

Dan: You say there will be no impact on the general fund, why not?

Donald: The new branch will be a little more than twice as big and we expect the savings from new, more efficient mechanically systems, will offset any increase in expenses. We may need to hire a third part-time maintenance staff. We have a large volunteer staff to help us out.

Dan: Why a term of over three years, why not spread it out?

Donald: Because of the tax rate. We have such a big tax base that the impact is minimal. Phase 2 will start in about two years with three additional projects. We do not want the tax rate going up and down, and a three-year term will save us \$885,000 in interest payments.

Stan: Do you have a guaranteed energy savings contract?

Donald: No, we chose to invest in high efficiency utilities.

Dan: Did you advertise a debt service in the 2006 budget?

Donald: Yes, we even advertised a bit high. We try to pay for capital improvements from our capital projects fund and library improvement fund. We will build the Lakeville Branch from the library improvement fund reserves, but we are coming up a little short to acquire the land.

Dan: You have listed loose equipment in the amount of \$202,000, what is that for?

Donald: Page fourteen details the equipment using retail prices. The bids will be for less than that.

Dan: Are you still in the objection period?

Donald: It is not applicable. We did go through the additional appropriation process and no one objected.

Recommendation

Lisa motioned to recommend approval to issue bonds in the amount of \$1,700,000 for a term of three (3) years. Stan seconded and the motion carried 4-0-1 with Ken abstaining.

Gilboa Township, Benton County Emergency Fire Loan

The unit is requesting approval to obtain a loan in the amount of \$8,100 for the purpose of funding fire protection expenses. The estimated tax rate is .0289 based on an assessed value of \$28,000,000 and an annual levy of \$8,100. The Common Construction Wage is not applicable.

The unit shows a need based on the following calculation of:

Current Year January 1 st Cash Balance	\$2,823
Current Year Certified Tax Levy	\$2,232
Current Year Estimated Revenues	\$ 100
Total Funds Available	\$5,155
Less: Encumbered Appropriation from prior year	\$0
Less: Estimated Current Year Expenses	\$5,400
Funds Remaining (must be negative to qualify)	(\$345)

Taxpayer Objections:

The date of publication for a public hearing was July 27th 2005. A public hearing was held and a resolution adopted on August 15th 2005. The Notice of Determination was published August 24th 2005. The Auditor certified No Remonstrance on September 26th 2005.

Attendance

The following people attended the meeting: Jack Wealing (Trustee) and Joan Wealing.

Discussion

We cannot fund the fire protection with the levy that was frozen.

Questions from Board Members:

Stan: Do you have a contract with a volunteer fire department?

Jack: Yes.

Stan: Have you looked into any of the appeals?

Jack: No, I am not aware of what they are.

Recommendation

Ken motioned to recommend approval to obtain an emergency fire loan in the amount of \$8,100. Lisa seconded and the motion carried 5-0.

Hendricks County Unit, Hendricks County Excessive Levy Appeals

The unit requested a three-year growth factor appeal in the amount of \$1,000,000. The unit qualifies for \$0 per statutory formula – they did not meet the threshold to qualify for this appeal. The unit also requested the operation of a new court appeal in the amount of \$164,305. The unit also requested the voting system appeal in the amount of \$87,025.

Appeal History: Attached – quite an extensive list.

2006 Max Levy \$12,159,358

Total Max Levy with Appeal \$13,410,688 Advertised Appeal Amount \$5,900,000 Unit's 2006 Advertised Levy \$12,575,000

Maximum appeal unit can qualify for is \$251,330 (\$164,305 + \$87,025)

Attendance

The following people attended the meeting: Nancy Marsh (Auditor).

Discussion

I am requesting an increase to our maximum levy due to the three-year growth factor. I know I might not qualify, but the more I whine, I hope someone will listen. Hendricks County is the second fastest growing county in the state and sixteenth in the nation. We are also requesting an appeal for the operation of a new court in the amount of \$164,305 and a voting system appeal in the amount of \$87,025. We need to have twelve precincts next year because of our growth. We have been approved for two new courts effective July 05 and one magistrate beginning in 2007. We have grown 18% since 2000.

Questions from Board Members:

Dan: Are your shares growing as well?

Nancy: Our shares have decreased 16% since 1996. You can refer to the exhibits that I shared with you to show the decline in shares and the increase in population.

Lisa: How did you arrive at the amount of \$164,305?

Nancy: We added a budget page to the appeal paperwork that details our request. We need \$79,400 for the court, \$21,131 for the Clerk's office, \$36,000 for the prosecutor, and \$27,774 for the process server.

Recommendation

Ken motioned to recommend the denial of a three-year growth appeal, the approval of the operation of a new court excessive levy appeal in the amount of \$164,305 and the approval of a voting system excessive levy appeal in the amount of \$87,025. Dan seconded and the motion carried 5-0.

Town of Mooresville, Morgan County Excessive Levy Appeals

The unit requested a fire pension payments appeal in the amount of \$5,463. The unit qualifies for \$5,463 per statutory formula.

The unit also requested an annexation appeal in the amount of \$227,600.

Appeal History: 1986 Reallocation of PTRC\$ 39,261

1993 Reallocation of PTRC\$322,877

2006 Max Levy \$2,409,774

Total Max Levy with Appeal \$2,642,837 Advertised Appeal Amount \$400,000 Unit's 2006 Advertised Levy \$5,823,567

Maximum appeal unit can qualify for is \$233,063

Attendance

The following people attended the meeting: Paige Gregory (Financial Advisor with H.J. Umbaugh), Tim Currens (Attorney), Tom Warthen (Town Council President), and Sandra Perry (Clerk Treasurer).

Discussion

Paige: We would refer you to the handout we gave you. The fire pension payment appeal is pretty straightforward. For the annexation appeal, we have given you a chart that shows how the cash balance has nose-dived. There has been a decrease in income taxes by \$34,000 in CAGEI and PTRC. Senate Bill 1 caused a loss of \$385,000. The annexation covers two territories, one is 96 acres and the other is 17 acres. The Town needs to add at least one additional firefighter and one police officer. The population has increased by 105. The current expenditures are exceeding current revenues.

Questions from Board Members:

Dave: Why is your expenditures exceeding your revenue?

Paige: The taxes just aren't enough to cover expenses, the costs of providing services.

Dave: Are businesses moving out, is that why the taxes are not enough?

Answer: More like coming in – it is a difficult question to answer.

Stan: What have your annexed?

Paige: The Adam and Van Winkle farms in April and July of 2004; both will be on the tax books in 2006.

Dave: Why did you annex?

Sandra: They came to us to make their land viable to market and so that the land could be

developed properly.

Dave: Is the land developed now?

Sandra: No, not yet. We are waiting for the industry to go in.

Ken: Page three of the appeal has an amount of \$227,600, do you have any further breakdown of

costs?

Paige: The fiscal plan says no additional costs would be needed. At the time the fiscal plans were prepared, they did not think there would be a need for additional personnel. Each one of them in and of itself would not cause additional need, but cumulatively, all together, there is a need.

Stan: For the fire pension appeal, the top of the schedule shows fourteen for next year, but the calculation at the bottom shows thirteen – why the difference?

Paige: I don't know.

Recommendation

Dan motioned to recommend approval of a fire pension payments excessive levy appeal in the amount of \$5,463 and an annexation excessive levy appeal in the amount of \$227,600. Stan seconded and the motion carried 5-0.

Town of Cicero, Hamilton County Annexation Excessive Levy Appeal

The unit requested an annexation appeal in the amount of \$195,500.

Appeal History: No appeals.

2006 Max Levy \$783,477 Total Max Levy with Appeal \$978,977

Advertised Appeal Amount \$200,000 Unit's 2006 Advertised Levy \$1,139,115

Maximum appeal unit can qualify for is \$195,500

Attendance

The following people attended the meeting: Paige Gregory (Financial Advisor with H.J. Umbaugh), Jan Unger (Clerk Treasurer), and Carl Harvey (Town Council member).

Discussion

We have annexed 38.5 acres that was approved in July 2003. The town revised their fiscal plan because they realized that there would be additional costs. Approximately 160 homes will be constructed at build-out with an estimated population increase of 400, a nine percent increase. There is a need fore more firefighters and police officers, and an increase in costs to maintain the streets, an additional 4.2 miles was added because of the annexation. For 2003-2004, the operating expenditures exceeded the in-coming revenue by \$400,000. This appeal will not solve all of the problems, but it will help. The overall impact of the appeal is nine cents, a twenty-one percent increase to the current rate of thirty-four cents. The tax rate impact on a home of \$164,000 would be about \$9.00. The council unanimously approved the appeal.

Ouestions from Board Members:

Stan: The annexation was occurred in 2003; were there any homes there at the time, or has it been developed since then?

Answer: The developer approached us and is now in the third phase of construction.

Ken: Are you at your maximum levy? Answer: Yes, or as close as we can get.

Ken: Has the assessed value already increased?

Answer: Yes, by approximately \$588,000 right now; less than 1% of what it will be.

Dave: Will you need a new police car also?

Answer: We have already hired the police officer and purchased a car for him – we had to have him. That is part of the deficit we are trying to cover.

Dan: Do you have a CCD fund – did you use that to purchase the police car?

Answer: Yes, we do have a CCD, but we did not use it to purchase the car. It is pledged for other projects.

Lisa: Do you provide trash pick-up? Answer: Yes, but we bill for that.

Dave: Do you have funds in the CCD?

Answer: We have applied for a grant, we have a causeway and we locked that money into the causeway project. We did not receive the grant this year, but we are going to re-apply next year.

Ken: There would be a twenty-five percent increase in the tax levy- are the taxpayers prepared for that?

Answer: We have a couple of subdivisions that are really starting to grow. We have never applied for an appeal before. There have been no objections, no one attended any of the meetings.

Dan: Historically, the DLGF reduces the capital outlay amount.

Answer: We are going to have to replace equipment. We had to purchase a police car at \$20,000. There will be a need every year to replace some equipment.

Recommendation

Ken motioned to recommend approval of an annexation excessive levy appeal in the amount of \$150,000. Dan seconded and the motion carried 3-2 with Stan and Dave opposed because the amount was reduced too much.

Portage Township, St. Joseph County Fire Loan

The unit is requesting approval obtain a loan in the amount of \$450,000 for a term of five (5) years for the purpose of purchasing a new 1500-gpm pumper fire truck. The total project cost is \$450,000 with maximum annual debt payments estimated to be \$105,000. The estimated tax rate is .1083 based on an assessed value of \$96,937,850 and an annual levy of \$105,000. This is a controlled project. The Common Construction Wage is applicable – the hearing was held August 29th and passed with a 5-0 vote.

Taxpayer Objections:

The date of publication for a public hearing was May 5th 2005. A public hearing was held and a resolution was adopted on May 17th 2005. The Notice of Determination was published May 26th 2005. The Auditor certified No Remonstrance on July 8th 2005.

Attendance

The following people attended the meeting: Charles M. Voreis (Trustee), Charlotte Barrier (Trustee), and Terry Korpal (Fire Chief).

Discussion

Good afternoon.

Questions from Board Members:

Dave: Is this a parade piece?

Charles: Down the road, when it is a vintage model, it will be. We are trying to buy one multipurpose truck instead of two. Dave: What is your service area?

Charles: The south side of South Bend, which includes the airport.

Lisa: Are you replacing a truck?

Terry: Yes, a 1975 model.

Lisa: What is the resale value?

Terry: About \$1,500. The last time we bought a truck was in June of 2000 from the Build

Indiana fund.

Dave: How did you come to a cost of \$450,000?

Terry: We have already spec'd it out.

Lisa: Was there any opposition?

Charles: None.

Lisa: Are you moving equipment to the new truck? Terry: Yes, we will not need any new equipment yet.

Ken: Do you have any existing debt?

Charles: No.

Stan: What is the expected delivery date?

Terry: About nine to ten months.

Dan: Did you advertise a debt service fund in the 2006 budget?

Charles: Yes, we made sure we did.

Recommendation

Ken motioned to recommend approval obtain a fire equipment loan in the amount of \$450,000 for a term of five (5) years. Lisa seconded and the motion carried 5-0.